

**NOTES TO THE HALF YEARLY REPORT (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2011**

1.00 Presentation of half yearly report

The half yearly report has been presented in compliance with Para 20 of BAS-34.

2.00 Dividend

1 bonus share for every 10 ordinary shares held and a 10% cash dividend were distributed as approved in the Annual General Meeting held on June 2, 2011.

3.00 Share of profit of the associate

Share of unrealised profit of the associate has been recognised in compliance with the requirements of BAS-28.

4.00 Comparative information

Figures have been rearranged/re-stated wherever necessary, to conform to current period's presentation.



**UNITED
INSURANCE
COMPANY LIMITED**

United Insurance Company Limited

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**HALF YEARLY REPORT 2011
(UNAUDITED)**



UNITED INSURANCE COMPANY LIMITED

Head Office: Camellia House, 22, Kazi Nazrul Islam Avenue, Dhaka-1000, Bangladesh

BALANCE SHEET (UNAUDITED)

As at June 30, 2011

	As at Jun 30, 2011	As at Dec 31, 2010
	Tk '000	Tk '000
ASSETS		
Non-current assets		
Property, plant and equipment	7,632	6,642
Statutory deposit-NIB	4,500	4,500
Investment at cost	9,520	8,020
Investment in associate	315,589	300,174
	337,241	319,336
Current assets:		
Stock of stationery	745	736
Debtors	83,420	89,301
Advances, deposits and prepayments	25,076	20,726
Cash and cash equivalents	408,701	414,860
Total current assets	517,942	525,623
Current liabilities		
Creditors and accruals	(124,015)	(120,538)
Net current assets	393,927	405,085
Net assets	731,168	724,421
Net Asset Value per share (Tk)	221.57	219.52

SHAREHOLDERS' EQUITY

Capital and reserves

Share capital (3,300,000 shares of Tk 100 each)	330,000	300,000
Revenue reserves & contingency accounts	267,104	260,827
Retained earnings	134,064	163,594
Shareholders' equity	731,168	724,421

CASH FLOW STATEMENT (UNAUDITED)

For the half year ended June 30, 2011

	Jan-Jun 30, 2011	Jan-Jun 30, 2010
	Tk '000	Tk '000
Cash flows from operating activities:		
Cash receipts from operations	167,841	138,601
Management expenses, re-insurance & claims	(140,411)	(124,470)
Income taxes paid	(18,030)	(11,507)
	9,400	2,624
Cash flows from investing activities:		
Non-current assets purchased	(989)	(350)
Investment/(divestment) in/of shares	(1,500)	41,104
Interest received	8,731	6,700
Dividend received from investees	27	100
Dividend received from associate	8,172	4,086
Sale proceeds of non-current assets	-	100
	14,441	51,740
Cash flows from financing activities:		
Dividend paid	(30,000)	(22,150)
Net increase/(decrease) of cash and cash equivalents	(6,159)	32,214
Cash and cash equivalents at 1 January	414,860	373,818
Cash and cash equivalents at 30 June	408,701	406,032
Net Operating Cash Flow per share (Tk)	2.85	0.80

REVENUE AND PROFIT & LOSS ACCOUNT (UNAUDITED)

For the half year ended June 30, 2011

	Jan-Jun 30, 2011	Jan-Jun 30, 2010	Apr- Jun 30, 2011	Apr- Jun 30, 2010
	Tk '000	Tk '000	Tk '000	Tk '000
Gross premium	130,112	113,927	73,100	58,618
Net premium	83,468	72,037	47,503	37,057
Agency commission	(26,022)	(23,000)	(14,222)	(11,400)
Expenses of management	(31,719)	(31,801)	(18,640)	(19,000)
Claims	(14,082)	(9,126)	(9,235)	(4,591)
	(71,823)	(63,927)	(42,097)	(34,991)
Underwriting profit	11,645	8,110	5,406	2,066
Gain on disposal of investment in shares	-	41,019	-	41,019
Interest, dividend and other income	11,758	6,899	7,502	2,599
	23,403	56,028	12,908	45,684
Expenses of management (not applicable to any particular fund or account)	(1,243)	(1,000)	(743)	(550)
Share of profit of associate	23,587	51,875	12,767	44,190
Profit before income tax	45,747	106,903	24,932	89,324
Provision for income tax	(9,000)	(6,000)	(5,000)	(2,000)
Profit after tax	36,747	100,903	19,932	87,324
Reserve for exceptional losses	6,277	5,438	3,751	2,847
Retained earnings	30,470	95,465	16,181	84,477
	36,747	100,903	19,932	87,324
Earnings per share (Tk)	11.14	30.58	6.04	26.46

STATEMENT OF CHANGES IN EQUITY

For the half year ended June 30, 2011

Tk '000

Particulars	Share	Reserve for	General	Proposed	P/L Appr.	Total
	Capital	Excep. losses	Reserve	Dividend	Account	
	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 1 January 2011	300,000	170,827	90,000	-	163,594	724,421
Appropriation made during the period	-	-	-	60,000	(60,000)	-
Bonus share issued	30,000	-	-	(30,000)	-	-
Cash dividend paid	-	-	-	(30,000)	-	(30,000)
Changes made to date	-	6,277	-	-	30,470	36,747
Balance as at 30 June 2011	330,000	177,104	90,000	-	134,064	731,168
Balance as at 30 June 2010	300,000	165,014	90,000	-	120,535	675,549

(The Half Yearly Report-2011 is available in the web-site of the company. The address of the website is "unitedinsurance.com.bd").

Sd/-
Syed Shahriyar Ahsan
MANAGING DIRECTOR

Sd/-
Badal Chandra Rajbangshi
COMPANY SECRETARY